

**STAFF MEETING MINUTES  
LANCASTER COUNTY BOARD OF COMMISSIONERS  
COUNTY-CITY BUILDING  
ROOM 113  
THURSDAY, JULY 25, 2002  
8:15 A.M.**

Commissioners Present: Bob Workman, Chair  
Bernie Heier, Vice Chair  
Kathy Campbell  
Larry Hudkins  
Ray Stevens

Others Present: Kerry Eagan, Chief Administrative Officer  
Dave Johnson, Deputy County Attorney  
Gwen Thorpe, Deputy Chief Administrative Officer  
Bruce Medcalf, County Clerk  
Trish Owen, Deputy County Clerk  
Ann Taylor, County Clerk's Office

The Staff Meeting was called to order at 8:17 a.m.

**AGENDA ITEM**

**1 APPROVAL OF STAFF MEETING MINUTES OF THURSDAY, JULY 18, 2002  
(A.M. & P.M. SESSIONS)**

**MOTION:** Campbell moved and Heier seconded approval of the Staff Meeting minutes of July 18, 2002, both sessions. Stevens, Hudkins, Workman, Campbell and Heier voted aye. Motion carried.

**2 ADDITION TO THE AGENDA**

A. Request for Nebraska Association of County Officials (NACO) Annual Meeting Topics (Exhibit A)

**MOTION:** Campbell moved and Stevens seconded to approve the addition to the agenda. Heier, Campbell, Workman, Hudkins and Stevens voted aye. Motion carried.

**ADDITION TO THE AGENDA**

A. Request for Nebraska Association of County Officials (NACO) Annual Meeting Topics (Exhibit A)

The Board suggested Health Insurance Portability and Accountability Act (HIPAA) compliance and collection of county sales tax as agenda items.

### **3 COMMISSIONER MEETING REPORTS**

#### **A. National Association of County Officials (NACo) Convention - Hudkins**

Hudkins reported on his recent attendance at a National Association of County Officials (NACo) Conference.

### **4 SPECIAL SESSION - Gordon Kissel, Legislative Consultant**

Gordon Kissel, Legislative Consultant, said Governor Johanns will announce proposed budget cuts later in the day. He said the Governor's announcement yesterday of six areas that will be spared from budget cuts was favorable for nursing homes (Medicaid reimbursement) and mental health.

Dean Settle, Community Mental Health Center Director, appeared and reported that Medicaid regulations are also being reviewed.

Brief discussion took place on the City's plans to introduce legislation that would increase the lodging tax by 2% to fund capital improvements, with consensus that the prime objective should be to bring in lodging dollars.

Board consensus was to have the Chair and Vice Chair convene a meeting to discuss the issue and to extend an invitation to Sandi Witkowicz, Interim Director of the Convention and Visitors Bureau; Pat Hardesty, Visitors Promotion Advisory Committee; Jerry Barnes, Cornhusker Hotel; Lincoln Lodging Association; the Mayor's Office and Senator Chris Beutler.

### **5 PENSION REVIEW COMMITTEE RECOMMENDATIONS**

Doug Cyr, Deputy County Attorney, appeared and reported the following recommendations from the Pension Review Committee:

- \* Leave the present service agreement with Nationwide Retirement Solutions in place for the balance of that contract, and do not pursue a separate agreement for a broker/dealer during the pendency of that contract
- \* Hire a consultant to review the Lancaster County employees retirement plan, review the market for pension providers and different types of pension plans, and make a recommendation to the County Board on whether the County should renew our present contract or go out for bid
- \* Do not add the Nationwide Investor Destination Funds to the retirement plan at this time, but gather additional information regarding other asset allocation funds for comparison purposes

In response to a question from Campbell, Cyr said an independent consultant is recommended.

**MOTION:** Campbell moved and Stevens seconded to accept the recommendations of the Pension Review Committee and to authorize them to proceed with an Request for Proposals (RFP) for a consultant. Heier, Campbell, Workman, Hudkins and Stevens voted aye. Motion carried.

**6 SALARIES FOR UNREPRESENTED, CLASSIFIED EMPLOYEES** - Georgia Glass, Personnel Director; John Cripe, Classification and Pay Manager; Diane Staab, Deputy County Attorney

Georgia Glass, Personnel Director, asked the Board for direction on salary adjustment for unrepresented, classified employees.

John Cripe, Classification and Pay Manager, noted that the deadline is August 22, 2002, the first day of the pay period for the American Federation of State, County & Municipal Employees (AFSCME) contract year.

Campbell said she would not be comfortable making a decision on the salary adjustment until the Board has finished discussions with the bargaining units on how to address the budget shortfall.

In response to a question from Hudkins, Cripe said the County has the right to make modifications to the health insurance plan other than the County's percentage of premiums, which is a negotiated item.

Glass said Mike Thurber, Corrections Director, has expressed concern regarding the compaction of salaries between correctional officers, sergeants and lieutenants.

Cripe noted that Community Mental Health Center classifications and three new positions at Families First & Foremost (F<sup>3</sup>) are scheduled on the Personnel Policy Board agenda. He asked whether the items should be delayed, in light of the budget shortfall.

Board consensus was to proceed, as scheduled.

**7 U.S. FOODS FINANCING AGREEMENT** - Troy Gagner, Economic Development Coordinator

Troy Gagner, Economic Development Coordinator, said U.S. Foods has asked to replace one of the guarantees on its economic development loan. He assured the Board that the replacement of guarantee will not jeopardize the County's loan position.

The Board scheduled the item on the July 30, 2002 County Board of Commissioners Meeting agenda and asked that balance sheets be provided prior to that meeting.

The Board also scheduled an update on Kinco Manufacturing of Waverly on the August 1, 2002 Staff Meeting agenda.

**8 JAIL INTERLOCAL AGREEMENT WITH THE CITY OF LINCOLN** - Dave Johnson, Deputy County Attorney; Mike Thew, Chief Deputy County Attorney; Mike Thurber, Corrections Director

Mike Thurber, Corrections Director, said medical bills for an inmate injured by the police during apprehension are expected to total \$42,000. He noted that the County pays at the Medicaid rate.

Dave Johnson, Deputy County Attorney, said the Correctional Facilities Agreement says the County "will assume the safekeeping, care and sustenance, including necessary medical treatment of City offenders held in the correctional facilities, pursuant to the City's lawful authority". He said the District Court has cited the Correctional Facilities Agreement in a court order.

Mike Thew, Chief Deputy County Attorney, said the County was not a party to that lawsuit so the judge did not have the benefit of any evidence that the County could have offered regarding the contract. He added that the holding is not binding on the County.

Johnson noted case law which holds that the agency that injures an individual during apprehension is responsible for medical costs and legislation that codifies that case law.

Campbell asked why the interlocal agreement was not drafted to reflect the statutory language.

Thew said "It was everyone's understanding that if the police shot them, the police paid for them."

Kerry Eagan, Chief Administrative Officer, said the medical expenses are going into the per diem and are being spread among all the jail users. He recommended that the County terminate the agreement (one year's notice required).

**MOTION:** Stevens moved and Hudkins seconded to send a letter to the City, with copies to the City Council, informing them that the County wishes to open the interlocal agreement for purposes of amendment to conform with state statutes and prior practices and that if the City does not agree to open the matter for discussion, it is the County's intent to give notice of termination.

Eagan agreed to draft the letter, with the assistance of the County Attorney's Office and to include past correspondence regarding the matter and relevant statutes.

**ON CALL:** Heier, Campbell, Workman, Hudkins and Stevens voted aye. Motion carried.

**9 COMMUNITY-BASED SEX OFFENDER PROGRAM; PSYCHIATRIST & NURSING STAFFING** - Dean Settle, Community Mental Health Center Director

Community-Based Sex Offender Program

Dean Settle, Community Mental Health Center Director, said Dr. Peter Frazier-Koontz, the primary full-time staff person for the Sex Offender Community Based Treatment Program (STOP), has resigned his position. He recommended increasing Dr. Mary Paine's hours from five to ten hours per week, at a rate of \$65 per hour. Settle estimated the annual net savings at \$10,000. He noted that Dr. Paine currently has two contracts with the County, for services she provides to STOP (\$55/hour) and the Crisis Center (\$65/hour).

Heier questioned the benefits of psychotherapy for sexual predators.

In response to a question from Campbell, Settle said the Nebraska Department of Health and Human Services (HHS) requires a sliding fee scale to be applied.

**MOTION:** Campbell moved and Hudkins seconded to ask the County Attorney's Office to consolidate Dr. Paine's contracts into one and to authorize the additional hours. Stevens, Hudkins, Workman, Campbell and Heier voted aye. Motion carried.

Psychiatrist & Nursing Staffing

The Board will address this issue in the budget working session.

**10 APPOINTMENT OF LORI MARET AS DEPUTY COUNTY ATTORNEY** - Mike Thew, Chief Deputy County Attorney

Mike Thew, Chief Deputy County Attorney, explained that Lori Maret was hired on a temporary basis to fill a vacancy. The person that she was hired to replace has since returned from maternity leave. He said an attorney in the Child Support Division has resigned and said the County Attorney would like to hire Maret to fill that vacancy. He noted that two thirds of the position's salary is reimbursed by federal dollars.

**MOTION:** Campbell moved and Hudkins seconded to schedule the appointment on the July 30, 2002 County Board of Commissioners Meeting agenda. Stevens, Hudkins, Workman, Campbell and Heier voted aye. Motion carried.

Campbell requested that discussion of authorized use of county stationary and testimony by county employees before other public bodies be scheduled on the August 1, 2002 Staff Meeting agenda.

**11 BREAK**

**12 BUDGET WORKING SESSION (MEETING RESUMES IN CONFERENCE ROOM 106, COUNTY-CITY BUILDING)**

**13 ACTION ITEMS**

- A. Ratification of Letter Sent on July 19, 2002 to Region V Governing Board and Governor Johanns

**MOTION:** Campbell moved and Heier seconded to ratify the letter sent to the Region V Governing Board and Governor Johanns on July 19, 2002.

Heier noted that an additional letter was received from a provider and said it was forwarded to the Region V Governing Board and Governor Johanns.

**14 ADMINISTRATIVE OFFICER REPORT**

- A. Opinion of Nebraska Supreme Court Regarding DLH Inc. d/b/a Coaches Sports Bar and Grill v. the Lancaster County Board of Commissioners

Dave Johnson, Deputy County Attorney, reviewed a Nebraska Supreme Court opinion that held that the District Court did not err in entering a declaratory judgment that County Resolution No. 3557 does not constitute a valid and subsisting ordinance or regulation within the meaning of § 53-134(6) (see agenda packet).

Hudkins asked whether the County should pursue corrective legislation.

Heier suggested that the County coordinate efforts with the City.

The Board asked Johnson to research state statutes and bring back a recommendation with regards to what type of legislation would be needed to address the nudity issue.

- B. Letter of Request from Explorer Scouts Post 80 to Meet with Board of Commissioners on August 13, 2002 at 1:30 p.m.

The Board scheduled a special presentation by the Explorer Scouts Post 80 on the August 13, 2002 County Board of Commissioners Meeting agenda.

- C. Letter from Marc Wullschleger, Urban Development Director, Requesting Funding in the Amount of \$17,687 for the One Stop Career Center

**MOTION:** Campbell moved and Hudkins seconded to respond to the letter and indicate the County Board supports the endeavor but is unable to provide funding, due to the severe budget shortfall. Stevens, Hudkins, Workman, Campbell and Heier voted aye. Motion carried.

#### D. Commissioners's Office Staffing

Cori Beattie, County Board Administrative Secretary, appeared and presented a work summary (Exhibit B). It was noted that there are also duties related to Emergency Management and Workers' Compensation & Risk Management.

Campbell noted that the Lincoln Action Program (LAP) contract was cancelled and said the Rural Coordinator's duties should also be folded in.

In response to a question from Workman, Gwen Thorpe, Deputy Chief Administrative Officer, said she is still investigating the possibility of obtaining clerical assistance through the Operation ABLE Program.

**MOTION:** Campbell moved and Hudkins seconded to request a definite breakdown of job duties in one week, folding in applicable duties of the Lincoln Action Program (LAP) Rural Coordinator, with the tentative view that the clerical position will be full-time. Stevens, Hudkins, Workman, Campbell and Heier voted aye. Motion carried.

#### E. Budget Freeze Update

The Board reviewed requests for exemption from the freeze on hiring and certain expenditures from Human Services (hiring), County Treasurer (hiring) and County Sheriff (conference and computer software).

**MOTION:** Campbell moved and Stevens seconded to authorize the request from Human Services to fill a vacant position. Stevens, Hudkins, Heier, Campbell and Workman voted aye. Motion carried.

Terry Adams, Deputy County Treasurer, appeared and said a hiring can be delayed until December, 2002.

**MOTION:** Hudkins moved and Stevens seconded approval of the request from the County Sheriff. Stevens, Hudkins, Workman, Campbell and Heier voted aye. Motion carried.

#### F. Imaging Storage

The Board reviewed a recommendation from Doug Thomas, Information Services Director, for a joint County/City imaging server (see agenda packet).

**MOTION:** Campbell moved and Hudkins seconded to accept the imaging server offer, as proposed. Heier, Campbell, Workman, Hudkins and Stevens voted aye. Motion carried.

G. Roller Skating Championships

Board members will respond individually if they plan to attend roller skating events.

H. Jail Medical Bills with Bryan/LGH Hospital

Eagan said Bryan/LGH Hospital is attempting to collect two bills for inmates who were released while in the hospital. The bills total approximately \$160,000 and the hospital did not file a General Assistance (GA) application. He said the release terminated the County's duty to pay for medical treatment. Eagan said the hospital has also questioned the County's ability to pay at the Medicaid rate.

Board consensus was to have Campbell, Heier and the County Attorney meet with Bryan/LGH Hospital representatives.

**15 PUBLIC RELATIONS**

Terry Wagner, Lancaster County Sheriff, appeared and reported on plans for an event to commemorate the September 11, 2001 tragedy.

By direction of the Chair, the meeting was recessed until 2:30 p.m.

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Bruce Medcalf  
County Clerk

**STAFF MEETING MINUTES  
LANCASTER COUNTY BOARD OF COMMISSIONERS  
COUNTY-CITY BUILDING  
ROOM 106  
THURSDAY, JULY 25, 2002  
2:30 P.M.**

Commissioners Present: Bob Workman, Chair  
Bernie Heier, Vice Chair  
Kathy Campbell  
Larry Hudkins  
Ray Stevens

Others Present: Dave Kroeker, Budget and Fiscal Officer  
Kerry Eagan, Chief Administrative Officer  
Gwen Thorpe, Deputy Chief Administrative Officer  
Georgia Glass, Personnel Director  
Diane Staab, Deputy County Attorney  
Rob Ogden, Chief Administrative Deputy County Assessor  
Scott Gaines, Chief Deputy County Assessor  
Melissa Koci, County Clerk's Office

The staff meeting was reconvened at 2:32 p.m.

Commissioner Workman distributed copies of the Lancaster County Budget Shortfall for 2003 as of July 25, 2002 (Exhibit A) and indicated the Board is looking for places to fill the unknown \$600,000 reductions.

Dave Kroeker, Budget and Fiscal Officer, submitted documentation regarding a comparison of the FY03 to FY02 Revenue Budget and the proposed solutions to the budget cuts (Exhibit B). He said as of July 10<sup>th</sup> the revenue was \$62,631,803 which was reduced by \$517,948 because of the reduction of the Public Defender's Indigent Defense and the Bridge and Special Road Funds, putting the current revenue at \$62,113,855.

Kroeker noted the following reductions from the list he submitted:

- \* County Attorney - \$65,315
- \* Information Services - \$174,566
- \* Keno - \$367,019
- \* Lincoln Action Program - \$30,329

Kroeker said the County Attorney can reduce overtime by \$11,200 by covering the phones from 8:00 a.m. to 4:30 p.m. instead of 7:45 a.m. to 5:00 p.m. He also said they can reduce attorney weekend duty overtime by \$15,615 and suggested the same reduction for the Public Defender because they are salaried employees.

Campbell suggested discussing the Union and Personnel issue before getting into the reductions.

Georgia Glass, Personnel Director, appeared and indicated she has not heard back from the Union regarding the budget solution for County employees.

**MOTION:** Campbell moved and Heier seconded to enter into Executive Session at 2:50 p.m. for discussion of budget and labor negotiations. On call Stevens, Hudkins, Heier, Campbell and Workman voted aye. Motion carried.

**MOTION:** Hudkins moved and Stevens seconded to exit Executive Session at 3:38 p.m. On call Heier, Hudkins, Campbell, Stevens and Workman voted aye. Motion carried.

**MOTION:** Hudkins moved and Campbell seconded to authorize Kerry Eagan, Personnel and the County Attorney to draft a second letter to the Union asking for their participation in updating the budget shortfall and outlining the solutions to the problem. On call Campbell, Stevens, Heier, Hudkins and Workman voted aye. Motion carried.

The Board agreed to take \$65,315 out of the County Attorney's budget.

Kroeker indicated the Clerk of the District Court has a deputy position that is vacant and will not be filled, saving \$28,558. There is also a vacant Court Clerk and Account Clerk I position that will be eliminated and other miscellaneous items reduced for a total reduction of \$111,619, which has already been reduced in their budget.

Kroeker said the Juvenile Court made some possible adjustments to their budget totaling \$103,400 by reducing legal services and boarding contracts, which will have to be accounted for later. Kroeker also noted he eliminated two cruisers, a transport van, an investigator vehicle and a few other items from the County Sheriff's budget for a reduction of \$140,550.

Kroeker reported the Case Management budget for last year was \$93,184 and he encumbered \$85,554 at year end. He said \$2,800 was paid out during the month of June for May services and the June bill for \$1,764 has not been paid. Kroeker said they are also asking for \$4,600 to complete the system requirements documentation. Kroeker said \$76,390 of funds that are encumbered and \$98,176 that was budgeted this fiscal year could be released, which could free up \$174,566.

The Board agreed to reduce the Information Services data processing budget by \$98,176 and allow them to spend \$4,600 to finish the requirements documentation.

Kroeker said there has been some discussion regarding hiring another employee in the County Clerk's Office to work with the fixed assets. He said Trish Owen, Chief Deputy County Clerk, has agreed to take over the responsibilities, saving the County \$25,000, which was already allocated out of keno.

With regards to the keno funds for the FY03 Proposed Budget, Kroeker asked if Rural Addressing was a priority and indicated some money needs to be transferred to the Community Mental Health Center's budget because they have a negative balance of almost \$400,000. He suggested doing a one-time transfer from keno in the amount of \$367,019 to help get the fund balance up which will hold down the taxes for next year.

Campbell suggested leaving half of the money in the Rural Signs and take some of the funds out of HIPPA or somewhere else.

**MOTION:** Heier moved and Campbell seconded to transfer \$367,019 from the Keno Fund to the Community Mental Health Center's budget to compensate for the over expenditure of budget for Mental Health last year and to get the fund balanced. On call Stevens, Hudkins, Heier, Campbell and Workman voted aye. Motion carried.

Kroeker asked about Lincoln Action Program's rural contract and noted the Board agreed the contract would be funded for two months, which will be a reduction of \$30,329.

Campbell said with the proposed reductions as outlined, the budget would be reduced by \$560,839.

Kroeker agreed.

Kroeker submitted documentation regarding the Expenditures for Travel, Memberships, Books & Subscriptions and Tuition (Exhibit C) and indicated the total before the proposed reductions was \$462,775 and has now been reduced to \$436,823. Kroeker said Commissioner Stevens suggested leaving only 25% in each budget. Kroeker also said at one time the County held the National NACO dues for one year, which would give the County an additional \$4,000. The Board agreed to leave the Nebraska and National NACO dues in the budget. Kroeker said last year's budget level for expenditures was \$395,402 and the Board looked at reducing all departments budgets to last year's figures.

Campbell said she spoke to Steve Hubka, City Budget & Fiscal Officer, who indicated the City controls all of the expenditures for travel, memberships, etc. and they have control over all of the funds. She said when a City office needs something, a request has to be approved by the Mayor's Office. Campbell suggested cutting \$100,000 from the expenditures and look the figures over again at midyear.

Campbell suggested sending an email to all Department Heads telling them the Board is considering a \$100,000 reduction in the expenditures for travel, memberships, etc. and are anticipating a 25% reduction from each department. She said the Board should request the memo be returned within five days indicating whether or not the department can fit within that percentage, which would be 75% of actual last year's budget.

Kroeker indicated he would draw up an email and run it by the Board before he sends it.

Heier said some of the expenses include fees for the Attorney's to belong to the Bar Association. He believed each Attorney should be paying their own Attorney's fees and not the government.

Kroeker indicated many years ago the Board agreed to pay the mandatory dues for the Attorney's and he didn't realize the Board was paying Lincoln Bar Association dues for the County Attorney, who has reduced that category. Kroeker said what is mandatory needs to be looked at and whether or not it is the Attorney's job to pay their own fees.

The Board agreed that the email to the Department Heads asking for a 25% reduction in their travel, memberships, books & subscriptions & tuition should also state that there may be additional reductions in this area.

Kroeker said there is a Statute somewhere on file that states the budget is supposed to be on file with the County Clerk by July 31<sup>st</sup>. He indicated he needs to start putting the budget together and on the 31<sup>st</sup> submit what he has done. Kroeker said he would have the adjustments in the computer and a summary and the detail both as of July 31<sup>st</sup>, 2002.

The Board agreed to have a budget working session during the Thursday, August 1, 2002 staff meeting.

Kerry Eagan, Chief Administrative Officer, just received documentation regarding the Special Sessions meeting and indicated the Community Juvenile Services had originally appropriated \$3,057,000 and the proposed cut is \$1,170,600, which is good news. He also said the Indigent Public Defense Aid is gone, which has already been taken out of the budget.

Kroeker said Dean Settle needs to know when the reductions of Psychiatrists will go into effect.

**MOTION:** Campbell moved and Heier seconded to proceed with the reductions in the area of Psychiatrists at the Community Mental Health Center to go from one full-time employee to one part-time employee plus the Nursing Contract with Bryan effective September 1, 2002. On call Stevens, Campbell, Hudkins, Heier and Workman voted aye. Motion carried.

### **3 ADJOURNMENT**

**MOTION:** Campbell moved and Hudkins seconded to adjourn the meeting at 4:59 p.m. Campbell, Heier, Hudkins, Stevens and Workman voted aye. Motion carried.

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Bruce Medcalf  
County Clerk